

CERTIFICATE OF CITY CLERK

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §
 §
CITY OF AUSTIN §

I, the undersigned, City Clerk of the City of Austin, Texas, DO HEREBY CERTIFY as follows:

1. On the 24th day of April, 2008, a regular meeting of the City Council of the City of Austin, Texas, was held at a meeting place within the City; the duly constituted members of the Council being as follows:

WILL WYNN		MAYOR
BETTY DUNKERLEY)	MAYOR PRO TEM
LEE LEFFINGWELL)	
MIKE MARTINEZ)	
JENNIFER KIM)	COUNCIL MEMBERS
BREWSTER McCracken)	
SHERYL COLE)	

all of said persons were present at said meeting. Among other business considered at said meeting, the attached ordinance numbered and entitled:

Ordinance No. 20080424-060

**AN ORDINANCE AUTHORIZING AN INTEREST RATE
MODE CHANGE IN CONNECTION WITH THE CITY'S
AIRPORT SYSTEM REFUNDING REVENUE BONDS, SERIES
2005; AND AUTHORIZING THE EXECUTION AND
DELIVERY OF RELATED AGREEMENTS AND A
REMARKETING MEMORANDUM.**


was introduced and submitted to the Council for passage and adoption. After presentation and due consideration of the ordinance, and upon a motion being made by Councilmember Mike Martinez and seconded by Councilmember Brewster McCracken, the ordinance was finally passed and adopted by the Council to be effective immediately in accordance with the provisions of V.T.C.A., Government Code, Section 1201.028 by the following vote:

___7___ voted "For" ___0___ voted "Against" ___0___ abstained

all as shown in the official Minutes of the Council for the meeting held on the aforesaid date.

2. The attached ordinance is a true and correct copy of the original on file in the official records of the City; the duly qualified and acting members of the City Council of the City on the date of the aforesaid meeting are those persons shown above and, according to the records of my office, advance notice of the time, place and purpose of the meeting was given to each member of the Council; and that said meeting, and the deliberation of the aforesaid public business, was open to the public and written notice of said meeting, including the subject to the above entitled ordinance, was posted and given in advance thereof in compliance with the provisions of V.T.C.A., Government Code, Chapter 551, as amended.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of said City, this the 24th day of April, 2008.


SHIRLEY A. GENTRY
City Clerk, City of Austin, Texas

(City Seal)



ORDINANCE NO. 20080424-060

AN ORDINANCE AUTHORIZING AN INTEREST RATE MODE CHANGE IN CONNECTION WITH THE CITY'S AIRPORT SYSTEM REFUNDING REVENUE BONDS, SERIES 2005; AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED AGREEMENTS AND A REMARKETING MEMORANDUM.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The Council finds that:

(A) Pursuant to Ordinance No. 20050804-039 (the "Authorizing Ordinance"), the City of Austin, previously issued and has outstanding its Airport System Refunding Revenue Bonds, Series 2005, issued in four subseries designated "Subseries 2005-1," "Subseries 2005-2," "Subseries 2005-3" and "Subseries 2005-4" (the "Bonds").

(B) The Authorizing Ordinance contains some capitalized terms that are used in this Ordinance. Those terms have the same meaning in this Ordinance as they do in the Authorizing Ordinance.

(C) The Bonds are currently bearing interest in an Auction Rate Mode.

(D) As set forth in the Authorizing Ordinance, the City Council determines and finds it is in the best interest of the City to change the interest rate Mode for the Bonds from an Auction Rate Mode to a Weekly Rate Mode.

(E) The City has given notice of its planned interest rate mode change to the Auction Agent and all other Notice Parties as required by the Authorizing Ordinance.

(F) To complete the change of interest rate modes for the Bonds, the Authorizing Ordinance requires the delivery by a Liquidity Facility Provider to the City of (i) a Liquidity Facility providing for the purchase of Bonds upon optional and mandatory tender for purchase, (ii) a Remarketing Agreement, and (iii) Tender Agency Agreement.

(G) To meet the requirements of the Authorizing Ordinance, the City Council determined it is necessary to authorize the execution and delivery of a Standby Bond Purchase Agreement, which constitutes a Liquidity Facility, one or more Remarketing Agreements, a Tender Agency Agreement, and to authorize the use of a Remarketing Memorandum in connection with the Bonds.

(H) This Ordinance supplements the Authorizing Ordinance and is being adopted to implement the provisions and purposes of the Authorizing Ordinance.

(I) The City is authorized to execute and deliver the Standby Bond Purchase Agreement pursuant to Chapter 1371, Texas Government Code, as amended.

PART 2. AUTHORIZATION.

(a) The City Council authorizes, ratifies and approves the change in the interest rate Mode for the Bonds from an Auction Rate Mode to a Weekly Rate Mode. The City Manager, the Chief Financial Officer of the City and all other officers of the City are authorized and directed to take all actions necessary or desirable to effect such change in the interest rate Mode for the Bonds in accordance with the provisions of the Authorizing Ordinance at the times and in the manner as they decide are appropriate.

(b) The City Council authorizes, ratifies and approves the Standby Bond Purchase Agreement, dated as of May 1, 2008 (the "Liquidity Facility"), by and among the City, Wells Fargo Bank, N.A., as Tender Agent, and Dexia Credit Local, acting through its New York Branch (the "Bank"), in substantially the form attached as Exhibit A. The City Manager and any other Authorized Officer are authorized to execute and deliver the Liquidity Facility, with such changes as may be approved by the City Manager or such other Authorized Officer. The execution of the Liquidity Facility is conclusive evidence the City approved the Liquidity Facility.

(c) The City Council authorizes, ratifies and approves the Remarketing Agreement, dated as of May 1, 2008 (the "Morgan Keegan Remarketing Agreement"), between the City and Morgan Keegan & Company, Inc., as Remarketing Agent, relating to Subseries 2005-1 and Subseries 2005-2, in substantially the form attached as Exhibit B. The City Manager and any other Authorized Officer are authorized to execute and deliver the Morgan Keegan Remarketing Agreement, with such changes as may be approved by the City Manager or such other Authorized Officer. Execution of the Morgan Keegan Remarketing Agreement is conclusive evidence the City approved the Morgan Keegan Remarketing Agreement.

(d) The City Council authorizes, ratifies and approves the Remarketing Agreement, dated as of May 1, 2008 (the "Morgan Stanley Remarketing Agreement"), between the City and Morgan Stanley & Co. Incorporated, as Remarketing Agent, relating to the Subseries 2005-3 and Subseries 2005-4, in substantially the form attached as Exhibit C. The City Manager and any other Authorized Officer are authorized to execute and deliver the Morgan Stanley Remarketing Agreement, with such changes as may be approved by the City

Manager or such other Authorized Officer. Execution of the Morgan Stanley Remarketing Agreement is conclusive evidence the City approved the Morgan Stanley Remarketing Agreement.

(e) The City Council authorizes, ratifies and approves the Tender Agency Agreement, dated as of May 1, 2008 (the "Tender Agency Agreement"), between the City and Wells Fargo Bank, N.A., as Tender Agent, in substantially the form attached as Exhibit D. The City Manager and any other Authorized Officer are authorized to execute and deliver the Tender Agency Agreement, with such changes as may be approved by the City Manager or such other Authorized Officer. Execution of the Tender Agency Agreement is conclusive evidence the City approved the Tender Agency Agreement.

(f) The City Council authorizes, ratifies and approves the preparation, distribution, and use of the Remarketing Memorandum, (the "Remarketing Memorandum"), in substantially the form attached as Exhibit E. To the extent required, the Remarketing Memorandum is "final" as of its date for purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission.

(g) The Paying Agent/Registrar is authorized and directed to take all actions and give all notices as may be necessary or desirable to effect the change in the interest rate Mode authorized by this Ordinance.

PART 3. FURTHER PROCEDURES. The Mayor, the City Manager, the Aviation Director, the Chief Financial Officer and the City Clerk and other appropriate officials of the City are authorized and directed to do any and all things necessary or convenient to carry out the terms of this Ordinance.

PART 4. SEVERABILITY. If any part, paragraph, clause or provision of this Ordinance is for any reason held to be invalid or unenforceable, the invalidity or unenforceability of such part, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

PART 5. OPEN MEETING. The City posted sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted at a place convenient and readily accessible at all times to the general public at the Austin City Hall for the time required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended. This meeting was open to the public as required by law at all times during which this Ordinance and its the subject matter were discussed, considered and formally acted upon. The City Council ratifies, approves and confirms such written notice and the contents and its posting.

Part 6. EFFECTIVE IMMEDIATELY. Notwithstanding the provisions of the City Charter, this Ordinance shall become effective immediately upon its adoption at this meeting pursuant to Section 1201.028, Texas Government Code, as amended.

PART 7. REPEALER. All orders, resolutions and ordinances, or their parts that are inconsistent with this Ordinance are repealed only to the extent needed to eliminate the inconsistency.

[Execution Page Follows]

PASSED AND APPROVED

April 24, 2008

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Will Wynn
Mayor

APPROVED: _____
David Allan Smith
City Attorney

ATTEST: _____
Shirley A. Gentry
City Clerk

(CITY SEAL)